



Is the Core Humanitarian Standard fit for the future?

## **A CONTRIBUTION TO THE REVIEW OF THE CORE HUMANITARIAN STANDARD**

**Endorsed by**



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The Core Humanitarian Standard on Quality and Accountability (CHS) emerged in 2014 from an extensive consultation process. It contains excellent guidance, further detailed in its 2015 Guidance Notes and Indicators. The Standard is currently under revision. This note seeks to contribute to that revision. The first section recommends greater nuance in some of Standard's guidance. The second section requests that the CHS, in its application and verification, is squarely put within the political economy of aid, notably of the relief sector. The third section requests that the CHS Alliance ensures that its Standard is not misused to reinforce the structural inequalities in the sector.

**Recommendation 1:** A revised CHS should signal more clearly that feedback and complaints mechanisms fall short of genuine participation, already in the analysis and design of the intervention phase and that aid agencies, and the sector, should aim for the latter.

**Recommendation 2:** In the revised version, be more explicit about different types of relevant capabilities, emphasising that those enabling the operational provision of assistance and protection are ultimately more important than administrative management ones.

**Recommendation 3:** An absolutist instead of pragmatic and contextualised interpretation of 'neutrality' is factually not correct, including for most international agencies doing relief, nor is it desirable in the world of today and tomorrow. A revised CHS should reflect this.

**Recommendation 4:** The revised CHS can no longer contain references that fundamentally portray national and local actors as seen through the often-biased eyes of international relief agencies.

**Recommendation 5:** The revised CHS needs to put the spotlight on how the practices of the international relief sector also undermine existing organisational capacities.

**Recommendation 6:** The revised CHS should no longer contain the generalised misuse of 'partner' for any type of collaboration between organisations, including a purely 'contractual' one (Guidance Notes:25) Key criteria to be able to speak of a 'partnership' are control for the power imbalance created by unequal access to financial resources, joint decision-making, sharing of risk and of credit for achievements, mutual respect, and reciprocal accountability and changes over time in roles and responsibilities.

**Recommendation 7:** The 2014 CHS demands that 'the organisation has the management and staff capacity and capability to deliver its programmes' (Commitment 8) but overall draws the attention to policies of an organisation, not its financial resourcing and who ultimately controls this. A revised CHS needs to focus much more squarely on the quality of financing, and link the issues of independence, capacities, transition and exit strategies (of international agencies) and the ability to meet the Standard to it.

**Recommendation 8:** A revised CHS needs to look at the management of financial resources not just at programme or project-level but at sector-wide level. And speak about the unequal treatment of international and national/local actors when a concern arises or is found justified.

**Recommendation 9:** The revised CHS needs to put the spotlight not only timeliness and the relevance of adaptations by those implementing a project or programme, but also at how this is enabled or constrained by the practices of back-donors and/or intermediaries.

**Recommendation 10:** The CHS Alliance needs to strongly oppose a normative abuse of the CHS that will de facto reproduce and reinforce the deep inequalities in the relief sector – which is undermining its global legitimacy.

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## SECTION 1: GREATER NUANCE IN SOME OF THE STANDARD'S GUIDANCE

**RECOMMENDATION 1:** A revised CHS should signal more clearly that feedback and complaints mechanisms fall short of genuine participation, already in the analysis and design of the intervention phase and that aid agencies, and the sector, should aim for the latter. The argument that this cannot be done in acute emergencies and with mobile populations is valid. But does not remain valid in the many situations where a crisis is recurrent (e.g. hurricane-, flood- or drought-prone areas) or protracted with zones of periodic 'stability'.

**Why? Because feedback and complaints mechanisms do not put people and communities affected by crises at the center of humanitarian action**

One of the positive recent developments in the international relief sector is the increasing use of cash programming. It is more cost-efficient and particularly multi-purpose cash gives the 'beneficiaries' choice. Global monitoring generally confirms that recipients of multi-purpose cash use it wisely.

Beyond that, the international relief sector is not well set up to 'put communities and people affected by crisis at the center of humanitarian action' as the CHS recommends (p. 2). It remains overwhelmingly top-down, with strategic decisions taken by institutional donors and international headquarters that influence the operational possibilities. The demand for 'determined design'

in which the intervention and its expected results need to be detailed from the design stage is another obstacle. It renders very difficult an approach that is responsive to (evolving) social group and community-driven priorities and initiatives very difficult.

Example 1: An INGO currently operating in a highly volatile situation with difficult access is willing and able to allow some community-led programming with grants up to US \$ 4000. One of its major donors however cannot live with not knowing, in advance, which communities will be given funding for what community action. The community-driven programming is blocked.

In addition, due diligence, compliance, and reporting requirements (the term 'compliance' clearly signals the power dynamics in the sector) are de facto very disempowering for community-based organisations. Nor do the country-level or even sub-national operational decision fora (clusters/sector coordination meetings) provide an opportunity for early participation of those who are supposed to benefit from aid agency actions: In how many cluster or sector coordination meetings are affected people invited, or is even considered what is being received from the (individual and hence fragmented) agency feedback and complaints mechanisms?

Feedback and complaints mechanisms are not genuine participation: They allow those affected by programming decisions to comment (Commitments 4 & 5) but do not involve them in the choices and design of the intervention that will affect them (Commitment 4).<sup>1</sup> Participatory budgeting (at least for part of the budget), participatory monitoring and participatory evaluation (including to determine whether the intervention offered value-for-money)<sup>2</sup> remain rare exceptions in the relief sector.

**RECOMMENDATION 2:** Be more explicit about different types of relevant capabilities, emphasising that those enabling the operational provision of assistance and protection are ultimately more important than administrative management ones.

***Why? Because there are different capabilities, that exist at different levels***

The CHS guidance is generally appropriate: Take into account context, needs but also existing capacities (Commitment 1); prioritise support to local response capacity (Commitment 2), support the initiatives of local groups and organisations (Commitment 3) and

strengthen existing state and community systems (Commitment 3).

But a revised CHS guidance needs to unpack this notion of capacities, which otherwise remains an extremely vague term in the sector. It needs to acknowledge the necessary differentiation between the competencies of individuals, organisational capabilities, and collective capabilities. Supporting the development of competencies of individuals does not automatically lead to stronger organisational capabilities, and stronger individual organisations do not automatically lead to stronger collective capabilities. What a country ultimately needs, and have been developed in aid-providing countries, are strong collective capabilities. That should be the strategic objective in a world where most crises are recurrent or protracted.

A revised CHS guidance also needs to differentiate explicitly between the capacities to meet international donor requirements, and others that can be more vital to success e.g. commitment and tenacity, political navigation skills, creative problem solving without much money, trust from key stakeholders etc.

**RECOMMENDATION 3:** An absolutist instead of pragmatic and contextualised interpretation of 'neutrality' is factually not correct, including for most international agencies doing relief, nor is it desirable in the world of today and tomorrow. A revised CHS should reflect this.

***Why? Because political neutrality for everyone is not realistic nor necessary***

The CHS standard is preceded by an affirmation of core humanitarian principles (p. 8) and interprets 'neutrality' as "Humanitarian actors must not take sides in hostilities or engage in controversies of a political, racial, religious or ideological nature." The revised CHS should acknowledge that demanding that all actors engaged in crisis response are 'neutral' in that sense, is neither realistic nor necessary.

First, the large majority of international aid agencies themselves cannot and do not live up to such absolute principle:

<sup>1</sup>Participatory grant making is more actively considered among philanthropic foundations than among bilateral and multilateral donors, e.g. Gibson, C. 2017: *Participatory Grantmaking. Has its time come?* Ford Foundation and Gibson, C. 2018: *Deciding Together. Shifting power and resources through participatory grantmaking.* Foundation Center. A key element is the coming together of those who are intended to benefit from an intervention and external experts, for joint reflection on an equal basis.

<sup>2</sup> See e.g. D'Emidio, F., T. Wallace, S. Henon & D. Buckles 2017: *Value-for-Money in ActionAid. Creating an alternative.* ActionAid

- There are very few purely ‘humanitarian agencies’: The overwhelming majority of international aid agencies are not ‘humanitarian actors’ but multi-mandate organisations that, in times of crisis, will also provide relief. Multi-mandate agencies may project different self-images at different times as it suits them, but people in the contexts of operations do observe that they get involved in social and political issues when there is no acute emergency. There is only a small number of purely ‘humanitarian’ agencies, often with a medical core competency. Some of those prefer quiet diplomacy, some will engage in public advocacy when witnessing clear violations of fundamental rights, including under international humanitarian law. They are relevant and needed. But a minority. A serious contextualised audit, over a longer time span in a protracted crisis, would show most international actors are not adhering to this principle in practice.
- Aid is not provided on the basis of need only: Back-donors are not as politically neutral with their humanitarian aid either: Political and public opinion interest, not just ‘need’, play a role in where globally the humanitarian aid is concentrated. The Ukraine situation has made this even more visible than before. The large majority of big brand international relief agencies does not challenge European governments for their very differential treatment of refugees from Ukraine versus from other parts of the world. If financial dependency on these governments’ funding is a factor, then they are not meeting the third of the core humanitarian principles, i.e. independence.

Secondly, not even the godfathers and godmothers of this principle suggested it to be used as a dogma:

- Neutrality is a tactical principle, not a dogma: Even for the International Committee of the Red Cross, perceived neutrality has always been a pragmatic, not a dogmatic principle, to maintain the likelihood, globally, to get access in any type of conflict. In the words of its first major explainer of the principles: “The truth is that nothing in life is absolute. The doctrine of the Red Cross, formulated at a particular moment in history, applies to a living world in never-ending movement, to a society composed of men who have not attained perfection. Sometimes it represents an ideal model to which we may aspire, rather than an unbending and rigorous law.” (Pictet 1979:14) Historically, the ICRC has struggled with its own ‘neutrality’ principle e.g. during the Second World War, and has expressed its regret for the mistakes it made in dealing with Nazi persecution and genocide.<sup>3</sup> If there is little prospect for an organisation that it will get such access, there is no reason for it to pretend to be politically neutral. That certainly applies e.g. to Myanmar and Ukrainian civil society organisations.

Thirdly, a complete silence about the political causes of extreme humanitarian needs, can become complicity and perpetuate the situation.

- Neutrality can become complicity: Persistent political neutrality in the end can also result in de facto complicity with major human rights violations. Hugo Slim, commenting on the current situation in Myanmar in which the army is waging war on most of the population, asserts that “*principled humanitarian action will see these agencies pressured into rotten compromises and thwarted in their mandates and ambitions, made to endure the usual ‘race to the bottom’ of what is possible under the control of a dictatorship with very different principles.*”<sup>4</sup> Closer to home, when voluntary agencies rescuing boat people in the Mediterranean were threatened with being criminalized by aid-providing European countries, most international (‘humanitarian’) agencies did not speak up for the alleged ‘humanitarian imperative’. Hugo Slim has argued that one can be a very effective ‘humanitarian’ without being politically neutral.<sup>5</sup> There is clear tradition, though less well known, of ‘humanitarian resistance’.<sup>6</sup> He provides an example of humanitarian work during the war in El Salvador: “*The values guiding this sort of humanitarian life-saving and democratic support were dignity, rights, courage, accompaniment and secrecy – not neutrality, independence and transparency.*”<sup>7</sup> Research in Myanmar has found other values and principles that Myanmar CSOs consider

3. <https://www.icrc.org/en/document/icrc-wwii-holocaust>

4. Slim, H. 2021: *Humanitarian Resistance and Military Dictatorship*. <https://odihpn.org/publication/humanitarian-resistance-and-military-dictatorship/>

5. Slim, H. 2020a: *You Don’t Have to be Neutral to Be a Good Humanitarian*. *The New Humanitarian* 27 August 2020; Slim, H. 2020b: *Look Back and Learn. Notable humanitarians who took sides*. *The New Humanitarian* 22 September 2020; Slim, H. 2022: *Solferino 21. Warfare, civilians and humanitarians in the 21st century*. Hurst Publishers (chapter 6)

6. Similarly, civil resistance is not the opposite of peace-building, see Dudouet, V. 2017: *Powering to Peace. Integrated civil resistance and peacebuilding strategies*. International Center on Nonviolent Conflict

7. Slim, H. 2021 (see footnote 11)

8. *Christian Aid, Tearfund, CARE, ActionAid, CAFOD, Oxfam 2019a: Acceleration Localisation through Partnerships. Recommendations for operational practices that strengthen the leadership of national and local actors in partnership-based humanitarian action in Myanmar* p. 14

important: commitment, dedication, gratitude, respect, passion, volunteerism, protest, leadership.<sup>8</sup>

- Depoliticising crises can become an obstacle to addressing the causes: With more protracted crises and an overstretched humanitarian system, merely working on the symptoms of a crisis is not enough. Relief for people in acute distress is absolutely needed. But an international relief sector that only calls for more money to do so while depoliticising the analysis of why global needs are exponentially increases, becomes part of the problem. The causes need to be addressed, violence reduced, and conflict transformed. That was already clear in e.g. the 2016 Agenda for Humanity and is also clear for the current UN Undersecretary General for Humanitarian Affairs and Emergency Relief Coordinator, M. Griffiths.<sup>9</sup>

## SECTION 2: THE CHS WITHIN THE POLITICAL ECONOMY OF THE RELIEF SECTOR

The unit of application of the 2014 CHS is the individual 'humanitarian' agency, assumed to have a fairly high degree of control over its organisational and programmatic decisions and actions. It also assumes that operating conditions for the many different 'humanitarian' agencies are fairly equal. Nothing could be further from the truth in a relief sector that is deeply unequal in its distribution of power and resources, and where the capabilities of an organisation, including the capabilities to meet the standards, are highly dependent on its place in the political economy of that sector.<sup>10</sup>

**RECOMMENDATION 4:** The revised CHS can no longer contain references that portray national and local actors as seen through the sometimes-biased eyes of international relief agencies.

**Why? Because the 2014 version contains some common biases**

*First responders?* The 2014 CHS and 2015 complementary notes wrongly continue to portray local and national actors as 'first responders'. In reality, in many contexts they have historically been the main responders before a major crisis brought an influx of international agencies and will again become the main responders when the

international agencies follow the shifting media attention and aid flows elsewhere.

*Whose capacities are developed by whom?* While the two documents acknowledge the existence of national and local capacities, when it comes to strengthening of capacities, they reproduce the prevailing image of this being done by international agencies to national/local ones. This implicitly suggests that international organisations do not really have anything fundamental to learn from national and local actors. Secondly, it maintains the blind spot to how international responses also undermine national/local capacities.

**RECOMMENDATION 5:** The revised CHS needs to put the spotlight on how the practices of the international relief sector also undermine existing organisational capacities.

**Why? Because the way the international relief sector operates undermines the capabilities of national/local actors**

During a major international surge (or re-surge in protracted crises with periodic peaks) international agencies first build their own capacities by recruiting the best local and regional personnel.<sup>11</sup> They can do that by offering higher salaries and more job security. In the process, they weaken the capabilities of existing local and national organisations. This has been well-documented e.g. in the response to the 2017-2018 Rohingya crisis in Bangladesh and is happening again today in Ukraine.<sup>12</sup>

*Example 2:* In the first two months of the Rohingya refugee influx into southeast Bangladesh, the leading Bangladeshi NGO in WASH lost no less than 50 of its experienced staff to incoming international agencies, all offering higher salaries and more benefits. These people were now providing the same expertise and advice at perhaps three or four times the cost. Yet when that Bangladeshi NGO tried to explain to the WASH cluster that the water conditions in the two sub-districts (Ukhia and Teknaf) were very different so that different WASH approaches were required, they found no one willing to listen to them.

<sup>10</sup> In 2015, the then IRIN network (now The New Humanitarian) calculated the Gini Coefficient (a measure of inequality) for the humanitarian sector. If this sector was a country, it would be one of the most unequal in the world. IRIN 2015: *The Humanitarian Economy. Where is all the money going?* <http://newirin.irinnews.org/the-humanitarian-economy>

<sup>11</sup> In practice, the international relief sector is fundamentally set up for a 'comprehensive response' to a major crisis: This is the mainstay of the humanitarian sector and manifests itself in large-scale international mobilisation. "It is based on the notion of limited or no capacity, and a central role for international agencies in managing, coordination and delivering assistance. There are many issues with this model in terms of its insensitivity to context, the lack of engagement with local and national actors, and a tendency to be supply-driven rather than needs-oriented." Ramalingam, B & J. Mitchell 2014: *Responding to Changing Needs? Challenges and opportunities for humanitarian action. Discussion paper for Montreux XIII Donor Meeting:28-35, ALNAP*

<sup>12</sup> As a staff member of the Ukrainian NGO Resource Center testified, there have been many instances of staff of Ukrainian responders being approached by international agencies with the offer: *What is your current salary; I will double or triple it! When those Ukrainians who understandably opt for a bigger income in uncertain times then suddenly leave without notice, the ongoing response of the national/local organisation can be badly affected.*

Local capacities can be further undermined by the localised inflation that an influx of international agencies can cause, with their demand for spaces, equipment, goods and services. It drives up the cost of operating for local agencies who do not have the same purchasing power. This too has been repeatedly documented e.g. in Kosovo, the Philippines, Jordan, Bangladesh etc. And the self-confidence of national and local actors can be undermined by a constant deficit narrative that does not focus on their strengths, but on their inability to meet international requirements and standards.

**RECOMMENDATION 6:** The revised CHS should no longer contain the generalised misuse of ‘partner’ for any type of collaboration between organisations, including a purely ‘contractual’ one (Guidance Notes:25) Key criteria to be able to speak of a ‘partnership’ are control for the power imbalance created by unequal access to financial resources, joint decision-making, sharing of risk and of credit for achievements, mutual respect, and reciprocal accountability and changes over time in roles and responsibilities.

***Why? Because implementing partnerships are not decision-making partnerships***

The 2014 CHS encourages international relief agencies to build on national and local capacities and to complement the responses of national and local agencies. (Commitment 3 & 6) In reality, many national and local agencies find themselves subordinate ‘partners’, implementing the agendas, programmes and projects of international agencies, with the resources the international agency is willing to give them – or not.

Globally, many national and local actors signal they still cannot fully participate in the co-design of an intervention but must implement what was designed by the international agency, possibly also in accordance with donor interests and guidelines that the national/local actors have never been informed about. It is also common for them to find their proposed budgets for an agreed project unilaterally ‘adjusted’ (i.e. reduced) by the international relief agency. This compromises their independence (Commitment 9). It can also negatively impact their ability to meet the standards, for which then not they, but the international agency should be held accountable.

The quality of the collaboration can also not be dissociated from that of ‘capacity-support’, as is common in the international relief sector and implicit also in the current CHS: Genuine capacity-support should lead to changes in roles and responsibilities: What used to be done and/or led by the international agency is now done and/or led by the national/local

one. In practice, this is often not the case. Even after years of ‘partnership’, the national/local agency will remain the ‘junior’ partner. Or as someone from a national Red Cross Society in the Pacific put it: “We are condemned to remain in the capacity-building school, there is never a graduation ceremony.” This is not in line with Commitment 3 to ‘plan a transition or exit strategy in the early stages of the humanitarian programme’.

**RECOMMENDATION 7:** The 2014 CHS demands that ‘the organisation has the management and staff capacity and capability to deliver its programmes’ (Commitment 8) but overall draws the attention to policies of an organisation, not its financial resourcing and who ultimately controls this. A revised CHS needs to focus much more squarely on the quality of financing, and link the issues of independence, capacities, transition and exit strategies (of international agencies), and the ability to meet the Standard to it.

***Why? Because The quality of financing, not policies or abstracted ‘capacities’, are the critical factor in approaching or meeting the standard***

The reality is that particularly many national and local organisation (and smaller international ones) who are very active crisis responders must operate on a shoestring and face continuous financial instability. This remains the case even where international relief agencies have been present for years, a clear indicator that available resources for organisational functioning are not much shared, and that they risk being used as cheap(er) labour. A recent report has bluntly called for an end to the ‘starvation cycle’ of national/local agencies.<sup>13</sup>

The consequences of that financial fragility on the ability to meet the CHS are direct, for example:

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<sup>13</sup> *Humentum March 2022: Breaking the Starvation Cycle. How international funders can stop trapping their grantees in the starvation cycle and start building their resilience. See also Renoir, M. & M. Guttentag 2018: Facilitating Financial Sustainability. Understanding the drivers of CSO financial sustainability. LINC, Peace Direct & Foundation Centre*

- **Understaffing:** Few local and national organisations (and some smaller international ones) can afford a dedicated person for human resources management (a necessity to meet Commitment 8). In practice, they may only have an administrator or administrative assistant who also does the basics of personnel administration – which falls far short of proper people management. They may also not be able to afford enough staff to create the internal checks and balances required for sound financial management (related to Commitment 9) or to have dedicated monitoring staff to collect required (and disaggregated) data and signal if and what adaptations may be required (Commitment 2 & 7)
- **Security and wellbeing:** Several national and local organisations cannot properly ensure the security and wellbeing of their staff (Commitment 8), not because they do not want to, but are not given the resources to do it. One example can be given from SE Asia where a national organisation was given funding for COVID-prevention programming by an international agency but denied Personal Protective Equipment for its own staff. Forced by the struggle to survive organisationally, staff of underresourced agencies therefore may be taking undue security risks.<sup>14</sup>
- **Organisational learning:** Work overload because of understaffing and high staff turnover simply make organisational learning (Commitment 7) an impossible aspiration.
- **Inability to attract and retain capacities:** In financially unstable organisations, many experienced and trained staff will seek job opportunities that offer higher salaries and benefits or at least greater job security. It is not uncommon for international agencies to hire people they trained when they were staff of a national/local agency. Any ‘capacity development’ support is likely to get lost if no attention is paid to the financial health of the recipient organisation.
- **Operating at a loss:** Financially fragile organisations have no option but to live from project to project. They have been known to undersell themselves in a competitive call-for-proposals, to increase their chances of getting a contract. In practice, that may mean they operate

at a loss – which would show up if all real costs were included in the accounts.<sup>15</sup> This, certainly when combined with high staff turnover, is likely to affect the quality of programming. Inevitably, such struggle for survival also compromises the organisation’s independence (Commitment 9).

All this amounts to a ‘capacity trap’: Because an organisation cannot, now, meet international organisational and programmatic requirements, it cannot get quality international funding, in the absence of which it cannot develop organisationally to be able to meet these requirements.

There is a fairly systemic unwillingness of the international relief sector to adequately resource especially national and local organisations, even when they are said to be ‘partners’ of international agencies. One well-known issue now is the Internal Cost Recovery (ICR). This is a flexible percentage of a budget that international aid agencies habitually receive but are reluctant to share with their national/local ‘partners’ as they use it to cover the costs e.g. of their own headquarters and further organisational development. Institutional donors are reluctant to add an ICR for the national/local agencies ‘partnering’ with international ones, as that would lead to a perception of high overall ‘overhead’ costs. The consequence is that those who may be doing much of the actual groundwork and will remain when the international agencies scale down or move on, are the least resourced. Is that strategically sound in a world where most crises now are recurrent or protracted?

*Example 3:* A national CSO in Southeast Asia was able to get out of the capacity trap when one country fund (supporting localisation) provided it with a longer-term grant, that

<sup>14</sup> See *Humanitarian Outcomes & Interaction 2019: NGOs and Risk. Managing uncertainty in local-international partnerships.*

<sup>15</sup> *The international ‘partner’ may not want to see the real cost such as the case in SE Asia where the local ‘partner’ asked that all their non-costed extra time be included in their accounts (to show their in-kind contribution), and where told they could not.*

covered existing costs but also some additional staff, and with ICR on top. This finally enabled the CSO to get out of a situation where a few people had to attend to multiple tasks without being able to devote the time and energy to each that quality required, because now they could hire a few more people and concentrate on the organisational and programmatic work rather than looking for the next income. A rare positive example.

**Recommendation 8:** A revised CHS needs to look at the management of financial resources not just at programme or project-level but at sector-wide level. And speak about the unequal treatment of international and national/local actors when a concern arises or is found justified.

***Why? Because the ethical, efficient, and effective management of resources at the sector-level cannot be left out of the picture.***

Commitment 9 of the CHS refers to the effective, efficient, and ethical management of resources, including minimizing waste, but only at the level of the programmatic or project-intervention of individual organisations. It does not pay attention to how the international relief sector is structurally expensive and wasteful. For example:

- It is made up of a multitude of competing international aid agencies with expensive organisational infrastructures: There are several hundred international aid agencies involved in crisis-response, all of which spent donations and taxpayer's money (provided for the benefit of crisis-affected people elsewhere in the world) on headquarters, regional and country offices, with up-to-date office equipment, good salaries and benefits, international flights, vehicle fleets etc. As the sectoral incentives are for competition not collaboration, international agencies are further encouraged to spend money on their own branding and run their own identifiable programmes in any given crisis, increasing the cost of coordination (an issue not recognised in Commitment 6). In addition, there is much repeat research (not in the least on the topic of

localisation) which should raise questions about Commitment 7 on collective learning); expensive international conferences are organised on topics that have already been conferenced about; as well as aid fairs in expensive locations where some drinks and snacks are offered for free (i.e. from aid money destined for people in distress). While there is an ongoing negative narrative that national/local actors cannot be trusted with money, what do we imagine this lavish expenditure of international agencies on themselves looks like to the many national/local actors who work with old computers, cannot afford up-to-date financial software or medical insurance for their staff, and get only a few hours of electricity a day?

- Multiple intermediaries: The 2016 Grand Bargain outcome document from the first World Humanitarian Summit, contains an explicit commitment to reduce transaction costs and management costs, and to provide aid as directly as possible. That has been interpreted as no more than one intermediary. In practice, we continue to see around the world many instances of multiple layers of intermediaries, all of which take a management fee. Is that the best possible use of taxpayers' money?



- Investment is concentrated on the international response capabilities: The international relief sector over the past decades has invested much aid money in building up a support infrastructure in Western countries that primarily benefits international/Western agencies. This consists of e.g. training and research centers; academic study programmes, think tanks and centers of expertise e.g. on refugees; standard setting and -verifying entities like the CHS Alliance and Sphere, platforms and networks for various communities of practice e.g. on evaluation etc. Yet there is no comparable investment in an infrastructure of resource at national and regional level in aid recipient countries, not even those suffering protracted or recurrent crises. Is this value-for-aid money, in the longer term?

If a CHS verification process would take a broader view on how (limited and overstretched) aid



resources are managed (commitment 9), would the international relief sector pass?

The structural inequalities and injustices within and by the international relief sector are even more visible in the differential treatments of national/local and international actors. When a national/local actor has difficulty providing all documentation demanded in a financial audit, they can be quickly accused of fraud and corruption and find all funding to them suspended pending an external investigation. Given their inability to build up reserves, a suspension of all funding will immediately impact all their work and can take them to the brink of bankruptcy. Even if they are ultimately cleared, the cash flow interruption while the investigation is ongoing can be lethal. An instance of fraud may turn out that of an individual and not a structural failure, yet national/local organisations run a high risk of getting blacklisted.

*Example 4:* Several national NGOs in a Middle Eastern country were audited by an international audit firm who did the audit remotely, purely on a documentary basis and with staff who do not know the context nor speak Arabic. The observation that certain expenditures were not adequately accounted for, according to normal standards, led to the agencies being blacklisted among international donors. Yet there were very practical reasons why certain audit requirements that can be expected under normal circumstances were not possible in the operational and security conditions of parts of Iraq. But they were never given an opportunity to provide their side of the story – neither the auditors nor the funding entity responded to their requests for a meeting to discuss and explain why certain documentation was not available.

Compare this with the treatment of UN agencies and the larger INGOs: Large-scale fraud and corruption (and sexual abuse) was uncovered in UN agencies and some INGOs in the Democratic Republic of Congo in 2020 (including staff of these international agencies making Congolese agencies pay them bribes to secure a contract). Currently an investigation is ongoing into multi-million mismanagement and possible fraud in the UN Office for Project Service. While there

will be some penalties, no UN agency or large INGO is at risk of getting blacklisted for millions lost to mismanagement, fraud, and corruption.

**RECOMMENDATION 9:** The revised CHS needs to put the spotlight not only timeliness and the relevance of adaptations by those implementing a project or programme, but also at how this is enabled or constrained by the practices of back-donors and/or intermediaries.

***Why? Because timely response and adaptive programming are often not enabled by the international relief sector***

The CHS holds that people affected by crisis have a right to the assistance they need at the right time. Such timeliness however is not just in the hands of the operational responder but can be affected by delays on the side of the back-donor and/or an intermediary.

*Example 5:* A local humanitarian organisation in southern Africa has obtained a grant from the country-level pooled fund. Five months later, it is still waiting for the disbursement of the first tranche of funding, because of the inefficient bureaucracy of the fund managing agency. It had to start the project however (as per contractual requirement) but cannot meet the second CHS commitment to ‘timeliness’ and is forced to breach its own policy that vendors will be paid within 30 days. Who has failed the standard here?<sup>16</sup>

The CHS also and rightfully encourages crisis-responders to adapt to changing political and operational conditions, but also based on

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<sup>16</sup> *The Open Road Alliance is a unique venture specialising in contingency funding. It provides grants or loans to help social sector organisations face a problem that threatens the impact of its action and sometimes even the survival of the organisation. In 2017, it analysed a sample of 102 applications to identify what types of obstacles or roadblocks made social sector organisations turn to the Open Road Alliance. It turned out that ‘funder-created obstacles’ made up 46% of such roadblocks. The most important ones of these were a change in funder strategy (13%), delays in disbursements (12%) and inflexibility in funder policy (9%). Open Road Alliance 2018: Roadblock Analysis Report. An analysis of what goes wrong in impact-focused projects. <https://openroadalliance.org/resource/ora-roadblock-analysis-report/> While the emphasis here is on impact, the same very likely holds true for the ability to meet the CHS.*

feedback and complaints and broader learning-during-implementation. (Commitment 2 & Commitment 7). Yet various institutional donors have adopted a rigid form of results-based management and -budgeting, that contractually fixes an expectation of results within a certain budgetary- and time frame. This administrative wish to know in advance exactly what the money will buy, can quickly become a practical obstacle to more significant adaptations even if they are clearly the right thing to do. Even when a bigger adaptation can get donor approval, the approval process can take so long that the changes are not timely (timeliness being part of CHS Commitment 2). There is of course the possibility that institutional donors have a degree of flexibility, but that the international intermediary agency imposes a rigidity that prevents the national/local subgrantee to adapt wisely and timely.<sup>17</sup> Who, again, then is responsible for this failure to meet the CHS standard? Given the unequal power and the fact that the international intermediaries control the narratives about the local actors to their back-donors and that about the back-donors to their local subgrantees, is there not a high probability the finger will be pointed at the national/local agency?

*Example 6:* A consortium of national and international CSOs operating in a

very volatile environment no longer seeks funding from an important humanitarian donor, because its administrative rigidity is simply not 'fit-for-context'. In this instance, the INGOs actually stands in solidarity with the national actors.

### SECTION 3: THE CHS AS INSTRUMENT TO MAINTAIN THE STRUCTURAL INEQUALITY IN THE INTERNATIONAL RELIEF SECTOR

**RECOMMENDATION 10:** The CHS Alliance needs to strongly oppose a normative abuse of the CHS that will de facto reproduce and reinforce the deep inequalities in the relief sector – which is undermining its global legitimacy.

***Why: Because making meeting the CHS another requirement to receive international relief funding would, under the current political economy, reinforce the structural inequalities.***

There are some who argue that national/local organisations should not receive a larger percentage of global humanitarian financing as long as they do not perform well against the CHS. This can become a powerful justification for the continued subordination of national and local actors: it keeps them stuck in the 'capacity trap' they cannot escape without more quality financing, yet the international relief sector often denies them such quality financing. Intentionally or not, such normative use of the CHS would consolidate the deep inequalities in a sector for whom solidarity and equality sometimes seem to matter less than growing the business.

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<sup>17</sup> *Recognising the inevitability of adaptive management in volatile contexts, DFID and USAID in 2018 set up the Global Learning on Adaptive Management Initiative (GLAM). It seeks to clarify why adaptive management is needed; how you do it in practice; what makes the difference between smart adaptive management or 'adaptive rigour' and poor planning and random reactions to events; what monitoring, review, evaluation and accountability mean in a context of adaptive management.*

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